

SUBCOMMITTEE NO. 4

Agenda

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PART A Wednesday, May 21, 2008 OUTCOMES

(Consultant - Keely Martin Bosler)

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State Administration—General Government—Judiciary—Transportation

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0855 California Gambling Control Commission

1. Tribal Gaming Revenues—Informational Item

Action. No action taken this was an informational item. However, the LAO reported that their alternative budget discounted the tribal gaming revenues by \$160 million below the Governor in the budget year.

2. Gambling Control Fund

Action. No action.

3. Inspection Program

Action.

- Restored \$1 million from the Special Distribution Fund to continue the electronic gaming device inspection program.
- Approved the following supplemental report language recommended by the LAO for the audit program and the electronic gaming inspection program:

1. Audit Staffing, Workload, Productivity, and Results. *No later than March 1, 2009, the California Gambling Control Commission (CGCC) shall submit to the Legislature updated workload information regarding its audit plan. The information shall include an update of the audit plan including the status of backlogged audits, the updated number of hours to complete an audit, the outcomes of audits completed, the number of audit positions that have been filled and the number of vacancies, and an updated calculation of audit staff needs based on the most recent workload information. Should the administration submit a budget change proposal (BCP) for audit-related programs at CGCC on January 10, 2009, the BCP may be designated as the submission fulfilling this reporting requirement, provided that it includes all of the information described above and is distributed to all persons who receive responses to this supplemental report.*

2. Field Inspection and Technical Services (Gaming Device Testing) Programs. *No later than March 1, 2009, CGCC shall submit to the Legislature a report describing the activities of its field inspection and technical services programs including: (a) an updated list of ratified and proposed tribal-state compacts that authorize state testing of gaming devices; (b) relevant measures of productivity by both of the programs (including, but not limited to, the number of devices tested and at how many facilities); (c) descriptions of significant problems discovered with gaming devices as a result of these programs' activities and measures taken to resolve the problems; (d) a measure of state revenues, if any, collected as a result of the programs' activities (including identification of any such revenues that overlap with those listed in the commission's report to the Legislature on audit program results), (e) an evaluation of the programs' workload and whether currently authorized staffing levels are sufficient for the commission to fulfill its responsibilities, and (f) any recommendations to the Legislature on budgetary, statutory, or other changes necessary to allow the commission to operate these programs in a more*

effective and productive manner. Should the administration submit a BCP related to these programs at CGCC on January 10, 2009, the BCP may be designated as the submission fulfilling this reporting requirement, provided that it includes all of the information described above and is distributed to all persons who receive responses to this supplemental report.

Vote. 3-0

1870 Victim Compensation and Government Claims Board

1. Restitution Fund

Action.

- Transferred \$50 million from the Restitution Fund to the General Fund on a one-time basis. This shall be considered repayment to the General Fund of a loan that was taken from the fund in 1993-94. **This was a May Revision proposal to increase General Fund revenues by \$50 million.**
- Transferred an additional \$30 million from the Restitution Fund to the General Fund on a one-time basis. **This increases General Fund revenue by \$30 million because the May Revision proposed to loan this money to the Emergency Services Account.**
- Adopted supplemental report language that requires the department to develop options for developing more Joint Powers Authority for covering counties that do not have Restitution Centers and developing relationships with District Attorneys and the DOJ to ensure the state maximizes the VOCA federal funds it can draw down with its expenditures.

Vote. 3-0

0820 Department of Justice

1. Unallocated Reduction—Technical Adjustment

Action. Eliminated the unallocated reduction given the other actions taken by the Subcommittee on April 10 and May 21. **Collectively the actions taken on April 10 and May 21 reduce DOJ's budget/increase transfers to the General Fund by \$114.1 million over the Governor's unallocated reduction. The Subcommittee took no action on loans proposed in the May Revision.**

Vote. 3-0

2. Eliminate Vacant Positions

Action. Amended April 10 action by the Subcommittee to reduce the savings related to eliminating vacancies from \$13.5 million to \$11.9 million. This will result in approximately 100 positions. **Reduces April 10 General Fund savings by \$1.6 million.**

Vote. 3-0

3. Charging State and Local Agencies Lab Fees

Action.

- Reduced General Fund support for the forensic laboratories by \$32 million and increase expenditures from Reimbursements as recommended by the LAO in the Subcommittee. **Increases General Fund savings by \$32 million.**
- As recommended by the LAO, approved financial protection for DOJ in the form of budget bill language to ensure fee payments are made by local governments to DOJ. If they are not one option for ensuring financial protection of DOJ's crime labs would be to require that the SCO transfer directly from the Proposition 172 allocations an amount of the unpaid bill of local government.
- Add budget bill language that directs the department to use their existing authority to charge fees to develop a fee schedule that (1) mitigates unusually high costs for complex investigations, (2) is commensurate with the costs to provide the service, and (3) generates an additional \$32 million in fee revenue.
- *Staff note: Staff notes that while not specifically discussed at the hearing amendments should also be made to state agency budgets to reflect a new fee schedule. However, these adjustments would be considered conforming and could be developed as this proposal moves to conference.*

Vote. 2-1 (Harman)

4. Correctional Law: Class Action and Civil Lawsuits

Action. Approved this budget proposal.

Vote. 3-0

5. Transfers and Loans to the General Fund

Action.

- Transferred \$69 million in William's energy settlement revenues to the General Fund. **Increases General Fund revenues by \$69 million.**
- Transferred \$8 million from the False Claims Act Fund to the General Fund. **Increases General Fund revenues by \$8 million, without creating future liability (May Revision proposes loan of \$6 million).**

Vote. 3-0

6. Hazardous Waste Litigation

Action. Approved this May Revision Finance Letter proposal.

Vote. 3-0

7. CALMS Methamphetamine Program

Action.

- Reduced the CALMS program by \$4.5 million. **Increases General Fund savings by \$4.5 million.**
- Approved budget bill language to ensure that the department can continue to fund CALMS program activities through the reprioritization of its existing law enforcement resources.

Vote. 2-1 (Harman)

8. Spousal Abuser Prosecution Program

Action.

- Eliminated funding for the Spousal Abuser Prosecution Program. **Increases General Fund savings by \$3 million.**
- Approved trailer bill language to transfer administration of the program to OES.

Vote. 3-0

9. Executive Programs

Action.

- Eliminated funding for the Executive Programs, thereby reducing DOJ's budget by \$5 million. **Increases General Fund savings by \$5 million.**

Vote. 3-0

10. Proposition 69 – DNA Program Implementation

Action.

- Eliminated \$11.2 million General Fund from the DNA Program. **Increases General Fund savings by \$11.2 million.**
- Increased expenditures from the DNA Identification Fund by \$11.2 million.

Vote. 3-0

11. Vehicle and Equipment Deferrals

Action. Reduced the department's budget for vehicles, radios, and forensic equipment by \$3.9 million. **Increases General Fund savings by \$3.9 million.**

Vote. 3-0

0250 Judicial Branch

1. Unallocated Reduction

Action. No action required. This item was included for informational purposes.

Trial Courts

1. Trial Court Security

Action.

- Approved \$20 million to fund the current shortfall in court security. **Increases General Fund Expenditures \$20 million above the May Revision.**
- Approved trailer bill language to do the following:
 - Establish statewide security standards including staffing standards.
 - Base court security costs on average staffing costs instead of mid-step salary.
 - Create uniformity court-to court for the cost of deploying a sheriff deputy by clarifying court-sheriff responsibilities and standardizing costs, including making it clear that retiree health is not a state funding responsibility.
 - Establish a separate item for tracking and accounting for court security funding.

Vote. 2-1 (Harman)

2. Court Reporting

Action.

- Approved trailer bill language to authorize the use of electronic reporting in family court, probate court, mental health court, and in laws and motions proceedings. Also authorize the courts to use electronic reporting for limited administrative purposes such as monitoring performance of subordinate judicial officers.

Vote. 3-0

Judicial Council/Administrative Office of the Courts

1. Budget Balancing Reductions

Action. Approved a \$4.7 million reduction to the Judicial Council/AOC budget. **This budget action provides \$4.7 million General Fund towards the Governor's unallocated reduction.**

Vote. 3-0

Administrative Office of the Courts: Office of Court Construction and Management

1. Budget Balancing Reductions

Action.

- Approved \$1.2 million reduction to the Office of Court Construction and Management. **This budget action provides \$1.2 million General Fund towards the Governor's unallocated reduction.**
- Approved budget bill language to allow the AOC to request additional resources from the State Court Facilities Construction Fund in the 2008-09 fiscal year pending notification of the Legislature and limit the available augmentation to \$1.2 million.

Vote. 3-0

2. Court Facility Operations and Maintenance

Action.

- Approved the May Revision Finance Letter proposal.

Vote. 3-0

5225 California Department of Corrections and Rehabilitation

Board of Parole Hearings

1. Lifer Hearing Process

Action.

- Approved funding for the hearing division.

- Approved April Finance Letter that reduces this item.
- Approved revised non-urgency trailer bill language to establish three new commissioners at BPH.

Vote. 3-0

Division of Juvenile Justice

1. 2007 Juvenile Justice Reform

Action.

- Approved trailer bill language to require annual reporting tied to the youthful offender block grant.

Vote. 3-0

2. Commission on Juvenile Justice

Action.

- Approved trailer bill language to extend the sunset date of the commission by one year.
- Approved budget bill language to re-appropriate the amount remaining of the one-time funding (\$600,000) provided for the support of the commission in the current year. This will enable the department to continue to expend these funds to support the commission in the budget year.

Vote. 3-0

3. DJJ Population Estimate

Action.

- Approved the LAO's revised population estimate for the current year. **This action increases General Fund savings in the current year by \$7.6 million.**
- Approved the LAO's revised population estimate in the budget year discounted by 50 percent because of the uncertainty regarding DJJ's population estimate and budget. **This action increases General Fund savings in the budget year by \$7.8 million.**
- Approved the May Revision population adjustment related to the delay in implementation of the female contract.
- Approved the Governor's budget and May Revision proposals to realign DJJ resources among its programs.
- Approved technical adjustments to the Breakfast-Lunch Reimbursements, County Referral Reimbursements, and County Payments. These adjustments should conform to the action taken on the population estimate.

Vote. 3-0

4. *LH* Lawsuit Compliance—Juvenile Parolee Due Process

Action. Reduced the *LH* budget proposal approved at the April 28 Subcommittee meeting by \$221,000 to conform to an agreed up on technical adjustment to exclude attorney funding for parole consideration hearings. **This action increases General Fund savings by \$221,000.**

Vote. 3-0

Other Issues

1. Human Resources Support

Action.

- Rejected new positions for the Office of Executive Recruitment and Program Performance Management given the state's fiscal condition.
- Approved three 2-year limited term positions to work on various classification and pay projects to improve recruitment and retention. Rejected the other 3 positions requested.
- Approved conversion of 34 limited-term positions to permanent positions.
- Make no changes to the 15 limited-term positions to support the dental and mental health hiring plan. If the department wants to make these positions permanent they should submit a new proposal in 2009-10.
- **Collectively this action would reduce General Fund spending by about \$600,000.**

Vote. 3-0

2. Consolidated Information Technology Infrastructure Project

Action. Approved the May Revision Finance Letter proposal to adjust this project.

Vote. 3-0

3. Electric Fence Activation

Action.

- Approved the May Revision Finance Letter.
- Approved the LAO's recommendation for additional savings in the current year. **This action increased savings by about \$1.5 million in the current year.**

Vote. 3-0

4. El Paso De Robles Warm Shutdown

Action. Approved this May Revision Finance Letter proposal.

Vote. 3-0

5. Correctional Officer Recruitment and Training

Action. Approve the Governor's budget proposal and the May Revision Finance Letter proposal, except for the parole officer academy augmentation. This item was left open.

Vote. 3-0